

NEW HOUSING LEGISLATION GOES BEFORE CONGRESS

Identical proposals for new housing legislation were sent to the Senate and the House of Representatives on February 12, but there is no provision in either bill for construction of public housing during the fiscal year beginning July 1, 1954. Sponsors of the bills are Senator Homer E. Capehart and Representative Jesse P. Wolcott.

In general, both bills follow the recommendations of the President's Advisory Committee on Government Policies and Programs. However, the Committee's recommendation that ". . . determination as to the size of the (public housing) program and the method of financing it are responsibilities of the Administration and Congress . . ." was ignored in drafting the pro-

posed legislation. Also ignored were recommendations by President Eisenhower who in his January 21 budget message recommended 35,000 low-rent units for the nation in the next fiscal year and in his January 25 housing message asked "that Congress authorize construction during the next four years of 140,000 units of new public housing to be built in annual increments of 35,000 units."

As the law now stands, the Public Housing Administration is forbidden to "enter into any new agreements, contracts or other arrangements." As a consequence, the public housing construction program will be brought to a complete stop unless Congress takes definite action in (cont'd on p. 2)

LOWDEN HOMES OPEN HOUSE . . . The first of the 128 low-rent apartments at Governor Frank O. Lowden Homes goes on public display at an "Open House" set for Sunday, April 4th. The Community Building, at the 95th and Wentworth corner of the project, will also be opened, with the Board of Health "well baby" clinic a special display. The demonstration apartment, furnished on a do-it-yourself plan, will serve as a renting office and will continue on display through the leasing period. The public is invited -- 2 to 5 p.m.



formulating a new program for the coming year.

Public Housing Amendments

While the bills are silent on a new public housing construction program, Title V of the proposed legislation would make several amendments to the Housing Act of 1949. This section of the new bills proposes that eligibility preference for public housing be extended to families displaced by all types of public action -- not just slum clearance.

While reference to payments in lieu of taxes, an amendment would provide that payments in an amount equal to 10 percent of shelter rents be made mandatory, or that payments of full taxes be permitted where the locality will contribute a cash payment. In either case the local contribution must be equal to at least 20 percent of the federal contribution. Another amendment provides that the local government be told the estimated amount of payments in lieu of taxes prior to execution of annual contributions contracts with PHA. Still another provides that after payments of all obligations on a project, federal and local contributions to the project be repaid out of surplus income from operations.

The Federal Housing Administration's program is affected by amendments to the National Housing Act contained in Title I of the proposed new legislation. Mortgage insurance assistance is proposed for rehabilitating existing dwellings and constructing new dwellings in urban renewal areas, with mortgage amounts and terms similar to FHA's "203" and "207" loans, but somewhat liberalized.

Also proposed is mortgage insurance for "relocation housing," providing for 40-year, 100 percent mortgages with a \$7,000 maximum for houses for qualified families displaced in urban renewal programs.

Before these two financing aids could be utilized, the Administrator of the Housing and Home Finance Agency would have to certify that the locality had presented a workable program for eliminating and preventing slums. Further, the total building program so insured could not exceed the number of dwelling units which the FHA Commissioner determined to be the need for the relocation of displaced families who would be eligible. HHFA Administrator Cole is reported to have commented that the \$7,000 figure makes the program unworkable in large cities like New York, Detroit, Philadelphia and Chicago.

Public Housing Under Urban Renewal

Loan and grant provisions of the new bills concerning federal aid for urban renewal projects, including public housing, are contained in Title IV of the new bills. Also covered is the establishment of advisory and technical facilities for working with localities in setting up workable urban renewal programs.

Creation of a \$5,000,000 fund is proposed from which grants could be made to localities to "assist them in developing, testing, and reporting methods and techniques and carrying out demonstrations and other activities for the prevention and elimination of slums and urban blight." Such grants would be limited to two-thirds of the cost of such activities.

CHA COMMISSIONERS ELECT OFFICERS

John R. Fugard was elected chairman of the Chicago Housing Authority and John L. Yancey was re-elected treasurer for the coming year at the

annual meeting of the CHA Board on March 8th. Fugard has been serving as acting chairman since January 15, when he took over the post resigned by Henry A. Kruse. Yancey has served the Authority as treasurer since March 1953.

A PRINCE OF SIAM called at CHA offices in early March to discuss Chicago's low-rent housing program. Prince Vodhayakara Varavarn of Thailand, dean of the School of Architecture at Chulalongkorn, is visiting the United States under the exchange program of the U. S. State Department.

CHA SEEKS HIGHER INCOME LIMITS FOR TENANTS

New income limits for CHA families have been approved by the Authority Commissioners and will become effective May 1 if the Public Housing Administration approves.

The Authority's proposal raises present income limits in the 15 federal-aid projects about \$500. If the new schedule is approved, a two-person family will be eligible for admission to CHA low-rent housing if its income does not exceed \$3,100. For a three- or four-person family a \$3,300 income is allowed. A five or more person family may have \$3,500. A deduction of \$100 is made for each minor child in the family. Present limits for the three family sizes are \$2,500, \$2,900 and \$3,000.

After admission, a two-person family will remain eligible for its low-rent dwelling if total income does not exceed \$3,700. A three- or four-person family may have \$4,000, and a five or more

person may have \$4,200, after the deduction of \$100 for each minor child. These maximums compare with present limits of \$2,900, \$3,850 and \$4,000 for the three groups.

Special Aid for Displaced Families

Because of the large amount of slum clearance activity under way in the city, the Authority has also proposed that special consideration be given to families losing their homes in the redevelopment process. To alleviate the hardships on site dwellers and to expedite clearance of redevelopment sites, families so displaced will be eligible for admission to federally-aided CHA homes if income does not exceed \$3,500 for two persons; \$3,750 for three or four persons; or \$3,900 for five or more persons, after deduction of \$100 for each minor child. These figures are about midway between the new admission limits and the new limits for continued occupancy.

FORTY-YEAR BONDS ON FOUR CHA PROJECTS SOLD

Private funds totaling \$12,420,000 are invested for a forty-year period in four of Chicago's new public low-rent housing developments. Early in March, funds were obtained from the sale of Chicago Housing Authority 40-year bonds for which bids were submitted by two investment groups.

Award of the entire issue was made to the low bidder, an investment syndicated headed by Blyth & Company which offered to take up the \$12,420,000 bonds at 2 and 3/8 percent interest and a premium of \$43,221.60. A second bid was submitted by the Bankers Trust Company of New York and the First National Bank of Chicago and Associates at 2 and 1/2 percent interest and a premium of \$194,689.80. The bonds are in series dated June 1, 1953, to June 1, 1994, maturing annually.

All Four Projects Completed

Funds will be used to cover development costs of 500 apartments at Philip Murray Homes, adjacent to Altgeld Gardens, 134th and St. Lawrence Avenue; 300 apartments at Leclaire

Courts, 44th and Cicero; 150 apartments at Victor A. Olander Homes, 39th and Lake Park Avenue; and 128 apartments at Governor Frank O. Lowden Homes, 95th and Wentworth. All of these projects, except Governor Lowden Homes which will open early in April, are finished and families are in residence.

Prior to the sale of the 40-year bonds, development costs of the four projects were financed through short-term borrowings by CHA. In 1951, the Authority issued 40-year bonds on two other projects, Dearborn Homes and Ida B. Wells Homes, to retire short-term borrowings which had previously covered development costs of these two projects.

CHA housing bonds are federally guaranteed by pledges of subsidy to cover annual interest and principal costs. The subsidy, paid out of national taxes, pays whatever portion of principal and interest on bonds that is not available from operating income, so that rents can be held at a figure within reach of low-income families.

COMMUNITY ACTIVITIES for residents of Leclaire Courts were discussed at an all-day conference of the Mid-West Division Universalist Service Committee held in the Leclaire Community Building. The Committee sponsors and gives financial assistance to the Ryder Community Center which headquarters at the project and provides educational and recreational programs for Leclaire Courts children and grown-ups. After luncheon, served by Leclaire matrons, the group made an informal tour of the project, visiting several of the homes.

CHA PLANS 260 HOMES FOR 29TH AND PRAIRIE

A plan for constructing a 19-story building containing 260 low-rent homes at 29th and Prairie Avenue will soon be submitted by CHA to the Public Housing Administration for approval.

The 3.76 acre site approved for re-development with public housing by the City Council in April 1953 lies just south of Prairie Avenue Courts, CHA's city-state financed relocation housing

development. This project now contains 290 homes in 7-, 14- and 2-story buildings. An additional 28 homes are under construction on the site and eight more will probably go into building during the current year.

About 175 families now live on the land needed for the proposed Prairie Avenue Courts Extension. All of them will be relocated by CHA. Total development costs for the extension, including land and improvements, are estimated at \$3,500,000.

BIDS OPENED FOR HORNER HOMES

Bids for the construction of 595 apartments, representing first-stage building of Governor Henry Horner Homes, Hermitage and Washington Streets, were opened on February 25 in CHA offices. Low bid of \$5,370,000, submitted by Sumner Sollitt Company of Chicago, was approved by CHA Commissioners on March 8th. Award of the contract will be made after approval by the Public Housing Administration.

Six other Chicago contractors submitted the following bids: S. N. Nielsen Company, \$5,489,000; Sherry-Richards Company, \$5,637,000; Crane Construction Company, \$5,639,000; Gust K. Newberg Company, \$5,667,000; George A. Fuller Co., \$5,700,000; and B-W Construction Co., \$5,824,000.

Specifications call for the construction of two 7-story "T"-shaped buildings and two 15-story "Z"-shaped buildings, site improvements, such as sidewalks, parking areas, and playgrounds. There will be 80 apartments with one bedroom; 296 with two bed-

rooms; 198 with three bedrooms; 11 with four bedrooms and 10 with five bedrooms. Second-stage building on the site will add an additional 325 apartments. The development was designed by Skidmore, Owings & Merrill.

Completes Approved Building

Construction of the first-stage of Governor Henry Horner Homes completed the 1,831 new units of public housing allocated to Chicago by the Public Housing Administration under the 20,000-unit limit for the nation approved by Congress last summer for this fiscal year which ends June 30, 1954. The other projects include second-stage building of 570 units at Grace Abbott Homes on the Near West Side and 471 units at Harold L. Ickes Homes on the Near South Side, which are both now under construction; and 195 units in the second-stage building of Wals Extension for which ground will be broken this month by the S. N. Nielsen Co.

Building for Next Fiscal Year

The Authority has a contract with the federal government for a balance

of 6,184 low-rent public housing homes, but construction awaits Congressional action. If predictions that the administration contemplates permitting construction of 35,000 new low-rent homes throughout the nation in the year beginning July 1, 1954, prove correct, it is likely that Chicago's share of the allotment will be about 3,300 units, or about half the units in the current program. In addition to development of a few small sites, such an allocation would permit the Authority to begin work on the long-awaited Cabrini Extension on the Near North Side; on the notorious Labor Day fire site at 35th and State Streets; and on the New Rockwell Neighborhood, where con-

struction will be combined with conservation and rehabilitation.

Fire Building Down

The fire-gutted framework of the four-story building at 3616 South State Street where eighteen people were burned to death last Labor Day has been torn down by the Authority. Contract for demolition was awarded to the Midwest Wrecking Company two weeks after CHA acquired title to the property. As of February 28, the Authority had taken options on 50 percent of the land needed for first-stage construction.

CHA EXECUTIVE SECRETARY ELIZABETH WOOD was given a citation on February 22 by the Chicago Chapter of Frontiers of America, national service organization of Negro business and professional men, "for many years of devoted service to the community, courageously supporting and advancing the principles of democratic living."

LECLAIRE COURTS COMMUNITY ATTRACTS HOME BUYERS

CHA tenants at Leclaire Courts are sold on the 44th and Cicero neighborhood as a good place to live. In the past year, two families, whose incomes had risen above the amounts allowed for continued occupancy in low-rent housing bought homes in the immediate vicinity. A third found a house to its liking and within its budget a little farther south at 79th and Cicero.

All three of these families had originally lived in crowded areas of the city and had moved to Leclaire Courts when CHA first opened the project in

1950. They enjoyed their gardens and the freedom of the "open spaces," and they liked working with their neighbors in promoting community activities. Investment of their own money in the neighborhood is evidence of their faith in the community they have lived in and helped develop.

In 1953 about 15 percent of the families moving out of their low-rent dwellings at Leclaire Courts became homeowners. This is far above the average for all CHA move-outs, which has been running about 5 percent.

CHA'S FEDERAL-AID BUILDING PROGRAM AS OF FEBRUARY 28, 1954
PERCENT COMPLETED

	NO. OF UNITS	LAND ^{a/} ACQUISITION	RELOCATION	DEMOLITION ^{b/}	ARCHITECTURAL ^{c/} WORK	CONSTRUCTION	ESTIMATED INITIAL OCCUPANCY DATE
Philip Murray Homes 134th and St. Lawrence	500		✓	✓			3/53
Gov. Frank O. Lowden Homes 95th and Wentworth	128		✓	✓			3/54
Victor A. Olander Homes Oakwood and Lake Park	150		✓	✓			8/53
44th and Cicero	300		✓	✓			9/53
Harold L. Ickes Homes - I 22d and State	332						3/54
Harold L. Ickes Homes - II 22d and State	471		0				2/55
Grace Abbott Homes - I 15th and Blue Island	648						8/53
Grace Abbott Homes - II 15th and Blue Island	570						1/55
Wells Extension - I 37th and Vincennes	455						12/53
Wells Extension - II 37th and Vincennes	195						⊕
Gov. Henry Horner Homes - I Lake and Ashland	595						⊕
Gov. Henry Horner Homes - II ^{d/} Lake and Ashland	325						S
Cabrini Extension - I ^{d/} Chicago and Orleans	859						U
Cabrini Extension - II ^{d/} Chicago and Orleans	1,066						S
Madison and Western ^{d/}	1,169						P
35th and State - I ^{d/}	1,264						E
35th and State - II ^{d/}	524						N
Prairie Avenue Courts Extension ^{d/} 29th and Prairie Avenue	260						D
43d and Wentworth ^{d/}	312						E
Victor A. Olander Extension ^{d/} 40th and Lake Park	150						D

^{a/} Based on number of parcels purchased or optioned.

^{b/} Percent parcels ordered cleared.

^{c/} Excluding supervision during construction.

^{d/} Construction dependent upon Congressional action governing number of "starts" allowed for nation in year beginning July 1, 1954.

✓ Denotes vacant land

⊕ Starts in 1954

⊗ Suspended

A CHA STAFF STUDY CONFERENCE was held on February 16 at Ida B. Wells Homes. Techniques of verifying tenant income, determining types of disability pensions exempted from earnings for eligibility status, computing exemptions for minors, making income reviews, and other administrative problems were discussed by Management staff and representatives of the Public Housing Administration.

COURT UPHOLDS CHA IN EVICTION SUITS

Two CHA tenants who refused to sign "loyalty oaths" were ordered to vacate their low-rent apartments by Municipal Judge Raymond P. Drymalski on March 12th. The tenants were Mary Thompson and Edith Roberson, both of Altgeld Gardens.

A federal act passed in 1952 requires tenants in public housing projects to certify that they are not members of organizations listed as subversive by the Attorney General of the United States. A state law, passed last year, requires public housing tenants to sign statements disavowing membership in organizations advocating overthrow of the government of the United States.

Attorneys for the tenants objected

to the eviction action on grounds that the federal and state requirements are unconstitutional. The Court ruled, however, that the matter of constitutionality need not be determined since the Authority has the right to terminate the tenancy of any public housing resident on written notice. Both tenants were given thirty days to vacate, but both have appealed the decision to the Supreme Court of Illinois.

The Court also ruled in favor of CHA in a third eviction suit heard on March 16 when Sol and Carol Blackman tenants from Racine Courts who had refused to comply with the federal and state requirements, were given until May 31 to move out of their low-rent home.

Judge Drymalski has scheduled hearings for March 29 on two additional cases involving the same issue.

INELIGIBLE TENANTS SHOW LOWER INCOMES IN YEAR

Increases in family income made 488 of the Authority's 11,093 tenants ineligible for continued occupancy of their low-rent homes as of January 31 of this year. All were given notice to move. This represents slightly more than 4 percent of the rent roll, compared to almost 5 percent on January 31, 1953, when the Authority was operating 9,794 apartments and 473 tenants had incomes above the allowable limits.

While the number of families in the ineligible category was practically the same in the two periods, there was a marked difference in the amounts of family income reported. A year ago, 149 over-income families had earnings above \$5,000, while this year only 91 families were in this group. Median income of these families dropped from \$4,611 in 1953 to \$4,411 in 1954. The number of over-income fami-

lies occupying low-rent homes is constantly changing. While ineligible tenants comply with the notice to move out,

other families experience a rise in income and move into the ineligible category.

Incomes of Excess-Income Families in CHA Homes in 1954 and 1953

Income	Apartments leased: <u>11,903</u> (January 31, 1954)		Apartments leased: <u>9,794</u> (January 31, 1953)	
	No. Excess-Income Families	Percent	No. Excess-Income Families	Percent
TOTAL	<u>488</u>	<u>100</u>	<u>473</u>	<u>100</u>
Under - \$3,500	46	9	59	12
\$3,501 - 4,000	42	9	21	4
4,001 - 4,500	190	39	132	28
4,501 - 5,000	119	24	112	24
5,001 - 6,000	63	13	103	22
6,001 and over	28	6	46	10
MEDIAN INCOME:	\$4,411		\$4,611	

WORKING MOTHER PRAISES NEW CHA HOME

Leasing an apartment at Maplewood Courts has resulted in easing many burdens for one young working mother. The new CHA tenant formerly lived with her four-year-old daughter in converted living quarters in a neighborhood far from her place of employment. The \$16 a week rent was too high for her budget and getting competent care for her daughter was a constant worry.

At Maplewood Courts, she pays \$49

a month for a modern two-and-a-half room apartment. She drops her daughter off at Margaret Etter Creche and gets direct transportation to her clerical job in a Near West Side plant. The following letter to CHA was written a few weeks after the little family moved to Maplewood Courts:

"My daughter and I are so happy in our new apartment. For the first time, we feel completely at home. We would like you to know how very much we appreciate your help and we thank you sincerely for your kindness."

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Chicago 5, Illinois

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CHA MAKES RECORD PAYMENT to local taxing bodies. CHA Chairman John R. Fugard presents \$250,000 check to Mayor Kennelly in partial payment of city advance for Veterans' Temporary projects as County Treasurer Brenza accepts check for \$429,191.97 from CHA Treasurer John L. Yancey in payment of 1952 "taxes" for CHA housing developments.
Form 3547 Requested

CHICAGO HOUSING AUTHORITY DEVELOPMENTS

COMPLETED - 24 Developments - 11,283 Dwellings

1. Jane Addams Houses	(F)	1,027	13. Harrison Courts	(C-S)
2. Julia C. Lathrop Homes	(F)	925	14. Leclaire Courts	(C-S)
3. Trumbull Park Homes	(F)	462	15. Racine Courts	(C-S)
4. Ida B. Wells Homes	(F)	1,658	16. Ogden Courts	(C-S)
5. Frances Cabrini Homes	(F)	584	17. Prairie Ave. Cts. -I-II	(C-S)
6. Robert H. Brooks Homes	(F)	834	18. Archer Courts	(C-S)
7. Bridgeport Homes	(F)	141	19. Loomis Courts	(C-S)
8. Lawndale Gardens	(F)	128	20. Philip Murray Homes	(F)
9. Altgeld Gardens	(F)	1,499	21. Victor A. Olander Homes	(F)
10. Wentworth Gardens	(F)	422	22. 44th & Cicero	(F)
11. Dearborn Homes	(F)	800	23. Grace Abbott Homes-I	(F)
12. Maplewood Courts	(C-S)	132	24. Ida B. Wells Extension-I	(F)

UNDER CONSTRUCTION - 6 Developments - 2,964 Dwellings

17. Prairie Ave. Cts. -III	(C-S)	28	25. Harold L. Ickes Homes-I-II	(F)
23. Grace Abbott Homes-I-II	(F)	1,020	26. Gov. Frank O. Lowden Homes	(F)
24. Ida B. Wells Extension-I-II	(F)	390	27. Gov. Henry Horner Homes -I	(F)

IN DESIGN AND LAND PURCHASE STAGE - 8 Developments - 6,192 Dwellings

17. Prairie Ave. Cts. -IV	(C-S)	8	31. Prairie Ave. Cts. Ext.	(F)
27. Gov. Henry Horner Homes-II	(F)	325	32. Olander Homes Ext.	(F)
28. 35th & State	(F)	1,788	33. 43d & Wentworth	(F)
29. Cabrini Extension	(F)	1,925	34. No Sites Designated	(F)
30. Madison & Western	(F)	1,169		

VETERANS TEMPORARIES - 10 sites - Demountables and Others (C-F)

(F) Financed with federal funds; (C-S) city and state funds; and (C-F) city and federal funds